12/9/87 C6240-1

THE WEEKLY OF
BUSINESS AVIATION™

DEC 7 1987

Vol. 45 No. 23 | INTELLIGENCE | Page 177

CRITICS of DOT's micromanagement of FAA affairs while Elizabeth Dole was DOT Secretary got a clear indication last month that nothing has changed since James Burnley replaced her. FAA officials were prepared to grant a one-year extension of the compliance deadline for Part 135 operators in installing fire-blocking seat cushions, but Burnley rejected that idea and permitted only a 90-day extension of the deadline.

PASSAGE of S.473, the general aviation product liability bill, would reduce liability claims by 50 percent in three to five years, according to Robert Martin, general counsel for Beech Aircraft. Martin said it would take approximately 10 years to reduce claims to "where they should realistically be."

IMPLEMENTATION of a new, less restrictive FAA policy regarding foreign repair stations (BA, Nov. 30/170) was in jeopardy last week following House passage of an amendment on a continuing resolution funding bill that would preclude FAA from spending any funds on implementation of the new policy.

PROVISION agreed on last week by House and Senate conferees would require installation and use of Mode C transponders in all aircraft operating into airports with terminal radar coverage within three years of final passage of the airport and airways reauthorization bill (BA, Nov. 2/137). Language would allow FAA to grant exemptions except in TCAs and ARSAs.

SFAR ON FIRE-BLOCKING RULE EXTENDS COMPLIANCE DEADLINE 90 DAYS

Federal Aviation Administration has extended for only 90 days the compliance deadline for Part 135 operators to install fire-blocking materials in the passenger cabin seat cushions of their large aircraft. The deadline for compliance was Nov. 26, 1987, but FAA officials had indicated they planned to grant a one- or two-year extension (BA, Nov. 30/169). Instead, in Special Federal Air Regulation 52, which was signed by FAA Administrator Allan McArtor late on the afternoon of Nov. 25, the deadline was extended only until Feb. 24, 1988 (SFAR 52 is reprinted on the backs of Pages 179-182).

National Air Transportation Association, which had been fighting for a longer delay, was highly critical of FAA for not taking timely action on the matter and granting such a short extension. "On the eve of the long Thanksgiving holiday, and only hours from the Nov. 26 deadline...the FAA apparently yielded to pressure from the Acting Secretary of Transportation and granted only minimal relief...", the association charged. NATA President Larry Burian said "this action represents bureaucratic bumbling at its worst. There was absolutely no analysis of the need for this retrofit to our class of aircraft, even though we requested justification of the requirement. We had asked for a realistic analysis of the requirement and whether any analysis had indicated that the benefit outweighed the cost. We are not now, nor have we ever been opposed to genuine safety measures that can be supported by the evidence. We tried to work in accordance with the system, only to have an unsubstantiated decision thrown in our face."

AVAQ FILES SUIT AGAINST INTEGRATED OVER GATES LEARJET SALE

AVAQ International, Inc., which unsuccessfully tried to purchase Gates Learjet Corp. before the aircraft manufacturer was sold to Integrated Acquisition, Inc., filed suit last week in New York asking

(Continued on the following page)

NOW ONLINE WORLDWIDE

1156 15TH ST. N.W., WASHINGTON, D.C. 20005-1786 • 202-822-4600 • TELEX 892447 • FAX 202-293-2682

Dave Colloqan, Editor • Kathryn Bledsoe, Assistant Editor • Kenneth E. Gazzola, Publisher

Published weekly by the Business Publications Division of Murdoch Magazines, a division of News America Publishing Incorporated
John B. Evans, President • Samuel C. Wolgemuth, Business Manager • Gerard A. Fragetti, Vice President/Finance

SUBSCRIPTION RATE: One year $345, 6 months $225. Quantity rates on request. COPYRIGHT 1987 NEWS AMERICA PUBLISHING INCORPORATED. ALL RIGHTS RESERVED. NONE OF THE CONTENT OF THIS PUBLICATION MAY BE REPRODUCED, STORED IN A RETRIEVAL SYSTEM, OR TRANSMITTED IN ANY FORM OR BY ANY MEANS (ELECTRONIC, MECHANICAL, PHOTOCOPYING, RECORDING OR OTHERWISE) WITHOUT THE PRIOR WRITTEN PERMISSION OF THE PUBLISHER.

STATUS OF AIRPORT & AIRWAY TRUST FUND

SEPTEMBER 30, 1987

	CURRENT MONTH	FISCAL YEAR TO DATE
I. BALANCE - BEGINNING OF PERIOD	$ 10,050,261,944.96	$ 8,625,199,213.60
II. RECEIPTS:		
A. Excise Taxes (Transferred from General Fund):		
Any liquid fuel except gas	6,540,000.00	73,710,000.00
Tires used on aircraft	0.00	0.00
Tubes used on aircraft	0.00	0.00
Gasoline		
1. Commercial 9 cents tax	225,000.00	2,700,000.00
2. Non-commercial 9 cents tax	1,856,000.00	29,220,000.00
3. Non-commercial 3 cents tax	553,000.00	9,826,000.00
4. Transp by air,seats,berths,etc.	179,470,000.00	2,699,919,000.00
Use of international trav fac	6,868,000.00	91,431,000.00
Transp of property and cargo	12,596,000.00	159,382,000.00
Total Tax Receipts	208,108,000.00	3,066,188,000.00
B. Less Reimbursement to General Fund - Refund of Taxes and Estimated Tax Credits :		
1. Civil aircraft	0.00	61,990.00
2. Any liquid fuel except gas	0.00	3,353,050.00
3. Gasoline -Retailer's tax	0.00	2,902,180.00
4. Gasoline -Manufac. tax	0.00	270.00
Total Reimburse For Tax Refunds	0.00	6,317,490.00
Net Tax Receipts	208,108,000.00	3,059,870,510.00
C. Interest on Investments	7,344,509.54	880,371,530.47
Net Receipts	215,452,509.54	3,940,242,040.47
III. EXPENDITURES :		
A. Federal Aviation Administration :		
1. Operations	19,968,000.00	622,414,990.25
2. Grants-in-aid for airports	120,390,554.99	916,912,136.62
3. Facilities & equipment	158,211,732.36	891,811,237.00
4. Research engineering & development	24,967,267.79	170,358,790.84
B. NOAA weather services	7,250,000.00	29,000,000.00
C. Interest on Refund of Taxes	0.00	17,200.00
Total Expenditures	330,787,555.14	2,630,514,354.71
IV. BALANCE - END OF PERIOD	9,934,926,899.36	9,934,926,899.36

ASSETS :		$
Undisbursed Balances:		
Airport & Airway Trust Fund	786.37	
Operations	-1,625.59	
Grants-in-aid for Airports	-8,886,406.30	
Facilities & Equipment	14,341,322.30	
Research Engineering & Development	-7,799,177.42	
NOAA weather services	0.00	
		$ -2,345,100.64
Investments :		
U.S. TREASURY CERTIFICATES OF INDEBTEDNESS:		
8-5/8% maturing June 30, 1988	$ 9,937,272,000.00	
		9,937,272,000.00
Total Assets		9,934,926,899.36
LIABILITIES:		0.00
EQUITY:		
Excess of Assets over Liabilities		$ 9,934,926,899.36
Total Liabilities and Equity		9,934,926,899.36

183a

NOTE

ONLY THE FOLLOWING PAGES OF THIS

PUBLICATION HAVE BEEN FILMED

Cov. 1, pgs. 186a, 187, 187a,

188a